

June, 2004

**Luxon Believes that the Ability of ITFS Licensees to Voluntarily Sell Their Licenses to Commercial Interests Would Serve the Public Interest**

***About Luxon***

- Luxon is new entrant founded in 2003 to acquire, deploy and commercially operate high-quality wireless broadband services in Florida and other areas.
- In many areas, Luxon would be providing a first or second broadband service.
- Luxon is working with ITFS licensees that have spectrum available for lease to develop and provide advanced services such as video-on-demand and campus-wide intranets.
- Luxon is raising funding for spectrum acquisition, deployment and operations.

***Luxon Supports Commercial Eligibility for ITFS, Including NITV's Proposed Educational Set-Aside***

**Commercial eligibility will promote investment and reduce costs.**

- Potential investors view the existing leasing requirement as an obstacle to Luxon's ability to access spectrum and a limitation on spectrum use.
- As a start-up enterprise, Luxon must keep its costs at a minimum. If Luxon could acquire ITFS licenses, it could negotiate one-time purchase price payments and would have no ongoing administrative costs or liabilities associated with maintaining long-term lease contracts.
- Similarly, ITFS licensees also would not have obligations to maintain their licenses or the expenses and liabilities associated with administering long-term contracts. They could simply enjoy the service.

**Commercial eligibility will benefit education.**

- Commercial support has been, and will continue to be, necessary for the build-out of ITFS facilities. Luxon has developed a number of advanced services that will be deployed on ITFS spectrum, including video-on-demand, integrated distance learning and campus intranets.
- The five percent set-aside proposed by NITV will benefit education by making spectrum resources available to the community at large.

**ITFS licensees should be free to choose how to use spectrum to further their educational missions.**

- ITFS licensees will have increased flexibility about how best to deploy spectrum assets to meet their educational mission (e.g., post-assignment access rights, non-cash consideration that would be difficult to obtain under a "pay as you go" lease and additional services, etc.).